

Senate File 347 - Introduced

SENATE FILE 347
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SF 168)

A BILL FOR

1 An Act relating to the regulation of commercial establishments
2 keeping nonagricultural animals, providing for fees and
3 appropriations, and making penalties applicable.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

REGULATION, FEES, AND APPROPRIATIONS

Section 1. Section 162.2, subsections 6, 14, 15, 17, 23, and 26, Code 2015, are amended by striking the subsections.

Sec. 2. Section 162.2, subsections 3, 9, and 10, Code 2015, are amended to read as follows:

3. "*Animal shelter*" means ~~a facility which is housing facilities used to receive, house, or contain dogs or cats, or both, or transfer vertebrate animals~~ and which is owned, operated, or maintained by an incorporated humane society, animal welfare society, society for the prevention of cruelty to animals, or other nonprofit organization devoted to the welfare, protection, and humane treatment of such animals.

9. "*Commercial establishment*" or "*establishment*" means an animal rescue, animal sanctuary, animal shelter, boarding kennel, commercial breeder, commercial kennel, dealer, grooming facility, pet shop, pound, public auction, or research facility.

10. *a.* "*Commercial kennel*" means ~~a kennel which performs grooming, an establishment where boarding, or training services are provided for dogs or cats in return for a consideration.~~ The establishment may also provide grooming services as an incidental part of its operation.

b. "*Commercial kennel*" does not include an establishment in which a dog or cat remains in the custody of the owner of the dog or cat.

Sec. 3. Section 162.2, Code 2015, is amended by adding the following new subsections:

NEW SUBSECTION. 2A. "*Animal rescue*" means a person who during a state fiscal year receives more than six adult dogs or cats, or more than three litters of dogs or cats, and who retains custody of the dogs or cats on a temporary basis until doing any of the following:

a. Transferring the dogs or cats to an animal shelter, pound, or another animal rescue.

1 *b.* Relinquishing custody of the dogs or cats by adoption to
2 members of the public.

3 NEW SUBSECTION. 2B. "*Animal sanctuary*" means a person who
4 during a state fiscal year owns or leases and controls housing
5 facilities where at least six adult dogs or cats have been
6 received from one or more persons, if all of the following
7 apply:

8 *a.* When received, each dog or cat was any of the following:

9 (1) Abandoned, orphaned, or unwanted, or transferred by a
10 pound or animal shelter.

11 (2) In an impaired condition due to disease, injury, or
12 birth defect, or a threatened animal as defined in section
13 717B.1.

14 *b.* Each dog or cat is maintained by the person on a
15 permanent basis, until the death of the dog or cat, or the
16 person transfers the dog or cat to any of the following:

17 (1) An animal rescue.

18 (2) Another animal sanctuary.

19 (3) An animal shelter.

20 (4) A pound.

21 NEW SUBSECTION. 15A. "*Foster care home*" means a private
22 residence that provides an animal with temporary maintenance,
23 including shelter and care, if the animal has been accepted by
24 a person licensed as an animal rescue, animal shelter, or pound
25 and that person is authorized by the department to oversee the
26 operations of the private residence.

27 NEW SUBSECTION. 15B. "*Grooming facility*" means an
28 establishment including a salon that, as the principal part
29 of its operation, provides grooming services in return for
30 consideration.

31 NEW SUBSECTION. 15C. "*Grooming services*" means providing
32 a dog or cat with hygienic care or treatment to improve
33 appearance, which may include but is not limited to bathing;
34 the removal of dead hair or skin; hair clipping, shaving, or
35 brushing; nail trimming; or providing flea or tick control.

1 NEW SUBSECTION. 16A. "*License*" means an authorization to
2 operate a commercial establishment as provided in this chapter
3 regardless of whether the authorization is also referred to as
4 a permit or certificate of registration.

5 NEW SUBSECTION. 16B. "*Licensee*" means a commercial
6 establishment that operates pursuant to a license issued and
7 renewed by the department pursuant to section 162.2A.

8 NEW SUBSECTION. 16C. "*Local authority*" means the same as
9 defined in section 717B.1.

10 NEW SUBSECTION. 20A. "*Practice of veterinary medicine*"
11 means the same as defined in section 169.3.

12 NEW SUBSECTION. 28. "*Veterinary facility*" means an
13 establishment where one or more licensed veterinarians
14 are engaged in the practice of veterinary medicine. The
15 establishment may also provide grooming services as an
16 incidental part of its operation.

17 Sec. 4. Section 162.2A, subsections 1, 2, 4, and 5, Code
18 2015, are amended to read as follows:

19 1. The department shall provide for the ~~operation of~~
20 issuance or renewal of a license to operate a commercial
21 establishment by issuing or renewing an authorization,
22 including any of the following:. A person who owns a
23 commercial establishment shall be deemed to operate that
24 commercial establishment.

25 ~~a. A certificate of registration for a pound, animal~~
26 ~~shelter, or research facility.~~

27 ~~b. A state license for a boarding kennel, commercial kennel,~~
28 ~~or pet shop.~~

29 ~~c. A state license or permit for a commercial breeder,~~
30 ~~dealer, or public auction. A federal licensee must apply for~~
31 ~~and be issued either a permit or a state license in lieu of a~~
32 ~~permit.~~

33 2. a. A person must hold a current, valid license in order
34 to operate a commercial establishment.

35 b. A person must be issued a separate state hold a single

1 ~~license, certificate of registration, or permit~~ for each class
 2 of commercial establishment owned or operated by the person,
 3 regardless of how many locations for that class are operated
 4 by the person. Each of the following is a separate class of
 5 commercial establishment:

- 6 (1) An animal rescue.
- 7 (2) An animal sanctuary.
- 8 (3) An animal shelter.
- 9 (4) A boarding kennel.
- 10 (5) A commercial breeder.
- 11 (6) A commercial kennel.
- 12 (7) A grooming facility.
- 13 (8) A dealer.
- 14 (9) A pet shop.
- 15 (10) A pound.
- 16 (11) A public auction.
- 17 (12) A research facility.

18 4. ~~The authorization~~ A license expires on an annual basis
 19 as provided by the department, and must be renewed by the
 20 commercial establishment on an annual basis on or before the
 21 authorization's license's expiration date.

22 5. ~~a. A commercial establishment applying for the issuance~~
 23 ~~or renewal of a permit shall provide the department with proof~~
 24 ~~that the person is a federal licensee.~~

25 ~~b. The department shall not require that it must enter onto~~
 26 ~~the premises of a commercial establishment in order to issue a~~
 27 ~~permit. The department shall not require that it must enter~~
 28 ~~onto the premises of a commercial establishment in order to~~
 29 ~~renew a permit, unless it has reasonable cause to monitor the~~
 30 ~~commercial establishment as provided in section 162.10C.~~ The
 31 department may deny an application for the issuance or renewal
 32 of a license if the department determines that the applicant is
 33 in violation of this chapter or has not demonstrated that the
 34 applicant will comply with the provisions of this chapter.

35 Sec. 5. Section 162.2B, Code 2015, is amended by striking

1 the section and inserting in lieu thereof the following:

2 **162.2B Fees.**

3 1. The department shall establish, assess, and collect
4 fees for issuing or renewing a license as provided in section
5 162.2A. The fee assessed under this section shall include a
6 base amount plus any applicable scheduled amount.

7 2. For a commercial establishment that is an animal rescue,
8 animal sanctuary, animal shelter, pound, or research facility,
9 all of the following shall apply:

10 a. The base amount equals seventy-five dollars. A single
11 base amount shall be assessed for all locations operated by the
12 commercial establishment.

13 b. A scheduled amount shall not be assessed.

14 3. For a commercial establishment that is a dealer or
15 grooming facility, all of the following shall apply:

16 a. The base amount equals one hundred dollars. A single
17 base amount shall be assessed for all locations operated by the
18 commercial establishment.

19 b. A scheduled amount shall not be assessed.

20 4. For a commercial establishment that is a boarding kennel,
21 commercial kennel, or public auction, all of the following
22 shall apply:

23 a. The base amount equals one hundred seventy-five dollars.
24 A single base amount shall be assessed for all locations
25 operated by the commercial establishment.

26 b. A scheduled amount shall not be assessed.

27 5. For a commercial establishment that is a pet shop, all
28 of the following shall apply:

29 a. The base amount equals one hundred seventy-five dollars.
30 A base amount shall be assessed for each location operated by
31 the pet shop.

32 b. (1) The scheduled amount shall be determined based on
33 the number of dogs and cats kept by the pet shop as follows:

34 (a) For at least one dog or cat but not more than twenty
35 dogs and cats, one hundred dollars.

1 (b) For more than twenty dogs and cats but not more than
2 forty dogs and cats, two hundred fifty dollars.

3 (c) For more than forty dogs and cats, five hundred dollars.

4 (2) For purposes of determining the scheduled amount under
5 this paragraph "b", a dog or cat must be recorded as on hand for
6 sale to the general public during the most recent inspection
7 of the pet shop by the department. The scheduled amount shall
8 be assessed for the total number of dogs or cats kept at all
9 locations operated by the pet shop.

10 6. For a commercial breeder whose license is not reserved
11 as a special type of license as provided in subsection 7, all
12 of the following shall apply:

13 a. The base amount equals one hundred seventy-five dollars.
14 A base amount shall be assessed for each location operated by
15 the commercial breeder.

16 b. (1) The scheduled amount shall be determined based on
17 the number of dogs and cats kept by the commercial breeder as
18 follows:

19 (a) For not more than fifty dogs and cats, seventy-five
20 dollars.

21 (b) For more than fifty dogs and cats but not more than
22 seventy-five dogs and cats, two hundred fifty dollars.

23 (c) For more than seventy-five dogs and cats but not more
24 than one hundred dogs and cats, eight hundred dollars.

25 (d) For more than one hundred dogs and cats but not more
26 than two hundred fifty dogs and cats, two thousand five hundred
27 dollars.

28 (e) For more than two hundred fifty dogs and cats but not
29 more than four hundred dogs and cats, five thousand dollars.

30 (f) For more than four hundred dogs and cats, seven thousand
31 five hundred dollars.

32 (2) For purposes of determining the scheduled amount under
33 this paragraph "b", a dog or cat must be recorded as an adult
34 on hand for breeding during the most recent inspection of the
35 commercial breeder by the department of agriculture and land

1 stewardship or the United States department of agriculture.
2 The scheduled amount shall be assessed for the total number of
3 dogs or cats kept at all locations operated by the commercial
4 breeder.

5 *c.* Notwithstanding paragraph "a" or "b", a greyhound dog
6 owned, kept, bred, or transported by a commercial breeder for
7 pari-mutuel wagering at a racetrack as provided in chapter 99D
8 is not subject to a base fee or scheduled fee and is not used
9 in determining the scheduled amount. Rather, the commercial
10 breeder shall pay a different fee for the issuance or renewal
11 of a license as provided in rules adopted by the department.

12 7. For a commercial breeder whose license is a special
13 type of license reserved for small breeders, competitive show
14 breeders, or specialized breeders, all of the following shall
15 apply:

16 *a.* The base amount equals one hundred dollars. A single
17 base amount shall be assessed for all locations operated by the
18 commercial breeder.

19 *b.* A scheduled amount shall not be assessed.

20 8. The moneys collected by the department under this section
21 shall be credited to the commercial establishment fund created
22 in section 162.2C.

23 9. The fees provided in this section shall be considered
24 repayment receipts as defined in section 8.2. The general
25 assembly shall appropriate moneys to the department each state
26 fiscal year necessary for the administration and enforcement of
27 this chapter.

28 Sec. 6. Section 162.2C, subsection 3, Code 2015, is amended
29 to read as follows:

30 3. Moneys in the fund are appropriated to the department and
31 without further special authorization by the general assembly.
32 The moneys shall be used exclusively by the department to carry
33 out do all of the following:

34 *a.* Administer and enforce the provisions of this chapter
35 as determined and directed by the department, and shall not

1 ~~require further special authorization by the general assembly.~~

2 b. Fully fund the animal rescue remediation fund as provided
 3 in section 717B.13. For each state fiscal year, the department
 4 shall transfer at least twenty thousand dollars from moneys
 5 in the commercial establishment fund to the animal rescue
 6 remediation fund created in section 717B.13. However, if
 7 on March 1 the unobligated and unencumbered balance in the
 8 animal rescue remediation fund equals more than sixty thousand
 9 dollars, the department shall suspend the transfer for the
 10 subsequent state fiscal year. If on March 1 of a state fiscal
 11 year for which the transfer is suspended, the unobligated and
 12 unencumbered balance in the animal rescue remediation fund is
 13 less than forty thousand dollars, the department shall resume
 14 the transfer for the subsequent state fiscal year.

15 Sec. 7. NEW SECTION. 162.3A Operation of an animal rescue
 16 — license.

17 1. An animal rescue shall only operate pursuant to a license
 18 issued or renewed by the department as provided in section
 19 162.2A. The animal rescue shall maintain records as required
 20 by section 162.10 in order for the department to ensure the
 21 animal rescue's compliance with the provisions of this chapter.

22 2. An animal rescue shall not maintain a dog or cat received
 23 by the animal rescue in housing facilities owned or controlled
 24 by the animal rescue. However, the animal rescue may arrange
 25 to utilize an animal shelter, pound, or foster care home in
 26 order to maintain the dog or cat.

27 Sec. 8. NEW SECTION. 162.3B Operation of an animal
 28 sanctuary — license.

29 1. An animal sanctuary shall only operate pursuant to a
 30 license issued or renewed by the department as provided in
 31 section 162.2A. The animal sanctuary shall maintain records
 32 as required by section 162.10 in order for the department to
 33 ensure the animal sanctuary's compliance with the provisions of
 34 this chapter.

35 2. An animal sanctuary shall not buy, sell, trade,

1 auction, lease, loan, or breed any dog or cat that is owned or
2 controlled by the animal sanctuary.

3 3. An animal sanctuary shall maintain a dog or cat received
4 by the animal sanctuary in its care until the dog or cat dies
5 by natural causes, is euthanized, or is transferred to another
6 animal sanctuary, an animal rescue, an animal shelter, or a
7 pound.

8 Sec. 9. NEW SECTION. **162.6A Grooming facility — license.**

9 1. A grooming facility shall only operate pursuant to a
10 license issued or renewed by the department as provided in
11 section 162.2A. The grooming facility shall maintain records
12 as required by section 162.10 in order for the department to
13 ensure the grooming facility's compliance with the provisions
14 of this chapter.

15 2. A grooming facility shall not be in the business of
16 buying and selling animals.

17 Sec. 10. Section 162.8, Code 2015, is amended to read as
18 follows:

19 **162.8 Operation of a commercial breeder — ~~state license or~~**
20 **~~permit.~~**

21 1. A commercial breeder shall only operate pursuant to a
22 ~~state license, or a permit,~~ issued or renewed by the department
23 as provided in section 162.2A. A commercial breeder ~~who is~~
24 ~~a state licensee~~ shall maintain records as required ~~by the~~
25 ~~department in section 162.10~~ in order for the department to
26 ensure the commercial breeder's compliance with the provisions
27 of this chapter. ~~A commercial breeder who is a permittee may~~
28 ~~but is not required to maintain records.~~

29 2. A commercial breeder shall not purchase a dog or cat
30 from a commercial establishment that does not have a valid
31 authorization license issued or renewed under this chapter or a
32 similar authorization issued or renewed by another state.

33 3. a. A commercial breeder shall not operate an animal
34 shelter or maintain a controlling interest in an animal
35 shelter.

1 b. Paragraph "a" shall not apply to a commercial breeder who
2 holds a reserved license under section 162.8A.

3 Sec. 11. NEW SECTION. 162.8A Small breeder, competitive
4 show breeder, and specialized breeder — special type of
5 commercial breeder's reserved license.

6 1. The department shall provide for the issuance and renewal
7 of a special type of reserved commercial breeder's license
8 under section 162.8.

9 2. To be eligible for a reserved license issued or renewed
10 under this section, a person must qualify as a small breeder,
11 competitive show breeder, or specialized breeder.

12 3. Notwithstanding subsection 2, a person shall not be
13 eligible for the issuance, maintenance, or renewal of a
14 reserved license if the person does any of the following:

15 a. Holds a public auction license pursuant to section
16 162.9A.

17 b. Owns, keeps, breeds, or transports a greyhound dog for
18 pari-mutuel wagering at a racetrack as provided in chapter 99D.

19 c. In the prior twelve-month period, owned or kept dogs that
20 produced a total of more than three litters or thirty puppies,
21 whichever number is greater.

22 Sec. 12. NEW SECTION. 162.10 Records.

23 1. A commercial establishment shall maintain all records
24 required in this chapter. The department shall adopt rules
25 regarding the types of records required to be kept and the
26 format for keeping such records.

27 2. A commercial establishment shall maintain all records
28 necessary for the department to assess a fee imposed for the
29 issuance or renewal of a license pursuant to section 162.2A.

30 3. A commercial establishment shall maintain inspection
31 reports as required in section 162.10B.

32 Sec. 13. Section 162.10B, Code 2015, is amended to read as
33 follows:

34 ~~162.10B Commercial establishments — inspecting state~~
35 ~~licensees and registrants~~ Inspections — ordinary requirements.

1 1. As a condition of issuing or renewing a license, the
2 premises of an applicant shall be open for inspection during
3 normal business hours.

4 2. The department shall conduct at least an annual
5 inspection of a commercial establishment. The department may
6 shall inspect the commercial establishment of a registrant or
7 state licensee by entering onto its business premises at any
8 time during normal working business hours. The department may
9 shall inspect records required to be maintained by the state
10 licensee or registrant commercial establishment as provided
11 in this chapter section 162.10. If the owner or person in
12 charge of the commercial establishment refuses admittance, the
13 department may obtain an administrative search warrant issued
14 under section 808.14. The department shall report a potential
15 violation of chapter 717B to the local authority which has
16 jurisdiction over the matter.

17 3. a. A commercial breeder offering to sell a dog to
18 a person shall provide that person with the most recent
19 inspection report completed by all of the following:

20 (1) The department of agriculture and land stewardship. The
21 report shall include the recorded number of adult dogs on hand.

22 (2) The United States department of agriculture, if the
23 commercial breeder is licensed under the Animal Welfare Act.

24 b. The inspection report must be signed by the dog's
25 purchaser prior to finalizing the sale.

26 c. A copy of each applicable signed inspection report shall
27 be maintained for twelve months by the commercial breeder as
28 part of the commercial breeder's records as provided in section
29 162.10 and a copy of the signed inspection report completed by
30 the department of agriculture and land stewardship shall be
31 filed with the department.

32 Sec. 14. Section 162.10C, Code 2015, is amended by striking
33 the section and inserting in lieu thereof the following:

34 **162.10C Inspections — restricted requirements.**

35 1. Notwithstanding section 162.10B, subsections 1 and 2,

1 a person who holds a grooming facility license as provided
2 in section 162.6A is subject to restricted inspection
3 requirements. The department shall conduct the annual
4 inspection of a licensed grooming facility at a scheduled time
5 agreed to by the person and the department. However, the
6 department is not required to schedule an inspection if any of
7 the following applies:

8 a. The person is obstructing the scheduled inspection.

9 b. One or more dogs or cats kept by the person are in
10 immediate need of care.

11 2. Notwithstanding section 162.10B, a person who holds
12 a special type of reserved commercial breeder's license as
13 provided in section 162.8A is subject to restricted inspection
14 requirements as follows:

15 a. The person is exempt from the inspection requirements of
16 section 162.10B for the period of the reserved license if the
17 person submits evidence to the department that each dog kept by
18 the person complies with all of the following:

19 (1) Has been examined by a licensed veterinarian within the
20 twelve months prior to applying for the issuance or renewal of
21 the reserved license.

22 (2) Received all vaccinations as prescribed by the
23 department based on recommendations of the American veterinary
24 medical association or American animal hospital association.

25 b. If the person does not comply with paragraph "a", the
26 department shall conduct the annual inspection at a scheduled
27 time agreed to by the person and the department. However, the
28 department is not required to schedule an inspection if any of
29 the following applies:

30 (1) The person is obstructing the scheduled inspection.

31 (2) One or more dogs kept by the person are in immediate
32 need of care.

33 Sec. 15. Section 162.10D, subsections 1 and 2, Code 2015,
34 are amended to read as follows:

35 1. The department may take disciplinary action against a

1 person by suspending or revoking the person's ~~authorization~~
 2 license for violating a violation of a provision of this
 3 chapter or chapter 717B, or ~~who commits~~ for the commission of
 4 an unlawful practice under section 714.16. The department may
 5 take primary and secondary disciplinary action as follows:

6 a. (1) Primary disciplinary action may be taken against the
 7 licensee who committed the violation.

8 (2) Primary disciplinary action may be taken against a
 9 commercial breeder operating under a special type of reserved
 10 license held by small breeders, competitive show breeders, or
 11 specialized breeders under section 162.8A, without affecting
 12 the commercial breeder's general license under section 162.8.

13 b. Secondary disciplinary action may be taken against a
 14 person who operates another class of commercial establishment
 15 under a separate license pursuant to section 162.2A if such
 16 person is the same as the person who is subject to primary
 17 disciplinary action under paragraph "a".

18 2. The department may require an owner, operator, or
 19 employee of a commercial establishment subject to disciplinary
 20 action under subsection 1 to complete a continuing education
 21 program as a condition for retaining an ~~authorization~~
 22 a license. This section does not prevent a person from
 23 voluntarily participating in a continuing education program.
 24 However, a continuing education program completed voluntarily
 25 prior to the imposition of the department's disciplinary action
 26 shall not be part of such disciplinary action.

27 Sec. 16. Section 162.11, subsection 1, Code 2015, is amended
 28 by striking the subsection and inserting in lieu thereof the
 29 following:

30 1. This chapter does not apply to the operation of a
 31 veterinary facility, including any activity that would
 32 otherwise classify the veterinary facility as a commercial
 33 establishment so long as the activity is incidental to the
 34 practice of veterinary medicine. If the operations are
 35 conducted at an establishment in which the operations of the

1 veterinary facility are segregated, this chapter shall apply
2 only to that part of the establishment that does not operate as
3 a veterinary facility.

4 Sec. 17. Section 162.11, subsection 2, Code 2015, is amended
5 by striking the subsection.

6 Sec. 18. Section 162.11, subsection 3, Code 2015, is amended
7 to read as follows:

8 ~~3.~~ 2. This chapter does not apply to a noncommercial kennel
9 at, in, or adjoining a private residence where dogs or cats are
10 kept, ~~for the hobby of the householder,~~ if the dogs or cats
11 are used for hunting, for practice training, for exhibition
12 at shows or field or obedience trials, or for guarding or
13 protecting the householder's property. However, the dogs
14 or cats must not be kept for breeding if a person receives
15 consideration for providing the breeding.

16 Sec. 19. NEW SECTION. **162.13A Criminal actions.**

17 The attorney general or a county attorney may bring criminal
18 action in order to enforce the provisions of this chapter.

19 Sec. 20. NEW SECTION. **162.13B Injunctive relief.**

20 A court of this state may prevent or restrain a violation
21 of this chapter through the issuance of an injunction. The
22 attorney general or a county attorney shall institute a suit on
23 behalf of the state to prevent or restrain a violation of this
24 chapter.

25 Sec. 21. Section 162.20, subsection 4, paragraph c, Code
26 2015, is amended to read as follows:

27 *c.* A pound or animal shelter which knowingly fails to
28 provide for the sterilization of a dog or cat is subject to a
29 civil penalty of up to two hundred dollars. The department
30 may enforce and collect civil penalties according to rules
31 which shall be adopted by the department. Each violation shall
32 constitute a separate offense. Moneys collected from civil
33 penalties shall be ~~deposited into the general fund of the state~~
34 ~~and are appropriated on July 1 of each year in equal amounts~~
35 ~~to each track licensed to race dogs to support the racing dog~~

1 ~~adoption program as provided in section 99D.27 credited to~~
 2 animal rescue remediation fund created in section 717B.13.
 3 Upon the third offense, the department may suspend or revoke
 4 a ~~certificate of registration~~ license issued to the pound or
 5 animal shelter pursuant to ~~this chapter~~ section 162.2A. The
 6 department may bring an action in district court to enjoin a
 7 pound or animal shelter from transferring animals in violation
 8 of this section. In bringing the action, the department shall
 9 not be required to allege facts necessary to show, or tending
 10 to show, a lack of adequate remedy at law, that irreparable
 11 damage or loss will result if the action is brought at law, or
 12 that unique or special circumstances exist.

13 Sec. 22. Section 162.20, subsection 5, paragraph b, Code
 14 2015, is amended to read as follows:

15 b. The transfer of a dog or cat by a pound or animal
 16 shelter which has obtained an enforcement waiver issued
 17 by the department. The pound or shelter may apply for an
 18 annual waiver each year as provided by rules adopted by
 19 the department. The department shall grant a waiver, if it
 20 determines that the pound or animal shelter is subject to
 21 an ordinance by a city or county which includes stricter
 22 requirements than provided in this section. The department
 23 shall not charge more than ten dollars as a waiver application
 24 fee. The fees collected by the department shall be deposited
 25 in the ~~general fund of the state~~ animal rescue remediation fund
 26 created in section 717B.13.

27 Sec. 23. NEW SECTION. 162.21 Sterilization — animal
 28 sanctuaries.

29 1. An animal sanctuary receiving a dog or cat shall provide
 30 for the sterilization of the dog or cat using the veterinary
 31 procedures prescribed in section 162.20.

32 2. An animal sanctuary shall provide for the sterilization
 33 within ten days from the date that the animal sanctuary
 34 receives the dog or cat, unless any of the following apply:

35 a. The department imposes a stricter requirement by rule.

1 **b.** A licensed veterinarian grants an extension of the
2 period required for the completion of the sterilization, if the
3 extension is based on the health of the dog or cat.

4 **3. a.** An animal sanctuary that knowingly fails to provide
5 for the sterilization of a dog or cat is subject to a civil
6 penalty of up to two hundred dollars.

7 **b.** The department may enforce and collect civil penalties
8 according to rules which shall be adopted by the department.
9 Each violation shall constitute a separate violation. Moneys
10 collected from civil penalties shall be credited to the animal
11 rescue remediation fund created in section 717B.13.

12 **4.** Upon the third violation of this section, the department
13 may suspend or revoke the license issued to the animal
14 sanctuary pursuant to section 162.2A.

15 **5.** The department may bring an action in district court
16 to enjoin an animal sanctuary from transferring animals in
17 violation of this section in the same manner as provided in
18 section 162.20.

19 **6.** This section shall not apply to the return of a dog or
20 cat to its owner by an animal sanctuary, except as provided by
21 rules adopted by the department.

22 **Sec. 24.** Section 717B.1, Code 2015, is amended by adding the
23 following new subsection:

24 **NEW SUBSECTION.** 3A. "*Commercial establishment*" means the
25 same as defined in section 162.2.

26 **Sec. 25.** Section 717B.4, subsection 3, paragraph a, Code
27 2015, is amended to read as follows:

28 **a.** The court may order the responsible party to pay an
29 amount which shall not be more than the dispositional expenses
30 incurred by the local authority. The court may also award
31 the local authority court costs, reasonable attorney fees and
32 expenses related to the investigation and prosecution of the
33 case, which shall be taxed as part of the costs of the action.
34 The amount shall be paid to the animal rescue remediation fund
35 created in section 717B.13 to the extent that moneys from the

1 fund were expended to pay for dispositional expenses.

2 Sec. 26. Section 717B.5, Code 2015, is amended by adding the
3 following new subsection:

4 NEW SUBSECTION. 3A. The local authority may apply to the
5 department for reimbursement of expenses incurred by the local
6 authority in providing for the maintenance of the animal.

7 Sec. 27. NEW SECTION. 717B.13 **Animal rescue remediation**
8 **fund.**

9 1. An animal rescue remediation fund is created as a
10 separate fund in the state treasury under the control of the
11 department of agriculture and land stewardship. The general
12 fund of the state is not liable for claims presented against
13 the fund.

14 2. The fund consists of moneys appropriated to the fund,
15 moneys transferred from the commercial establishment fund as
16 provided in section 162.2C, moneys credited to the fund as
17 provided in sections 162.20 and 162.21, sums collected on
18 behalf of the fund through legal action or settlement, and
19 moneys contributed to the fund from other sources.

20 3. The moneys in the fund are appropriated to the department
21 to reimburse a local authority for expenses incurred for the
22 rescuing of an animal from a commercial establishment as
23 provided in section 717B.5, for the maintenance of an animal
24 as provided in section 717B.5, and for the disposition of an
25 animal as provided in section 717B.4.

26 4. The department shall utilize moneys from the fund only to
27 the extent that the department determines that expenses cannot
28 be timely paid by utilizing the available provisions of section
29 717B.4.

30 5. The department shall provide payment to a local authority
31 upon a claim submitted by the local authority to the department
32 according to procedures required by the department. Upon
33 a determination that the claim is eligible for payment,
34 the department shall reimburse the local authority for that
35 amount. However, if the department determines that only

1 a portion of the claim is eligible, the department shall
 2 only pay the eligible portion. If the department determines
 3 that insufficient moneys are available to make payment of
 4 all claims, the department may defer paying all or part of
 5 specified claims. The department shall hold deferred claims
 6 for payment when the department determines that the fund again
 7 contains sufficient moneys.

8 6. Moneys in the fund shall not be subject to appropriation
 9 or expenditure for any other purpose than provided in this
 10 section and section 162.2C.

11 7. Notwithstanding section 12C.7, interest earned on
 12 amounts deposited in the fund shall be credited to the fund.
 13 Notwithstanding section 8.33, any unexpended or unencumbered
 14 moneys remaining in the fund at the end of the fiscal year
 15 shall not revert to the general fund of the state, but the
 16 moneys shall remain available for expenditure by the authority
 17 in succeeding fiscal years.

18 Sec. 28. CURRENT AUTHORIZATIONS.

19 1. A current valid certificate of registration issued or
 20 renewed by the department of agriculture and land stewardship
 21 to an animal shelter, pound, or research facility under section
 22 162.2A prior to the effective date of this Act shall remain
 23 valid until it expires according to its terms when issued or
 24 renewed.

25 2. A current valid state license issued or renewed by the
 26 department of agriculture and land stewardship to a commercial
 27 kennel that operates as a grooming facility as defined in
 28 section 162.2, as amended in this Act, shall remain valid until
 29 it expires according to the terms when issued or renewed.

30 DIVISION II

31 COORDINATING PROVISIONS

32 Sec. 29. Section 162.2A, subsection 3, unnumbered paragraph
 33 1, Code 2015, is amended to read as follows:

34 A person must apply for the issuance or renewal of an
 35 ~~authorization~~ a license on forms and according to procedures

1 required by rules adopted by the department. The application
2 shall contain information required by the department, including
3 but not limited to all of the following:

4 Sec. 30. Section 162.2A, subsection 3, paragraph c, Code
5 2015, is amended to read as follows:

6 c. The name, address, and type of establishment covered by
7 the authorization license.

8 Sec. 31. Section 162.3, Code 2015, is amended to read as
9 follows:

10 **162.3 Operation of a pound — ~~certificate of registration~~**
11 **license.**

12 A pound shall only operate pursuant to a ~~certificate of~~
13 ~~registration license~~ issued or renewed by the department as
14 provided in section 162.2A. A pound may sell dogs or cats
15 under its control if sales are allowed by the department. The
16 pound shall maintain records as required ~~by the department~~
17 in section 162.10 in order for the department to ensure the
18 pound's compliance with the provisions of this chapter.

19 Sec. 32. Section 162.4, Code 2015, is amended to read as
20 follows:

21 **162.4 Operation of an animal shelter — ~~certificate of~~**
22 **registration license.**

23 An animal shelter shall only operate pursuant to a
24 ~~certificate of registration license~~ issued or renewed by the
25 department as provided in section 162.2A. An animal shelter
26 may sell dogs or cats if sales are allowed by the department.
27 The animal shelter facility shall maintain records as required
28 ~~by the department~~ in section 162.10 in order for the department
29 to ensure the animal shelter's compliance with the provisions
30 of this chapter.

31 Sec. 33. Section 162.4A, Code 2015, is amended to read as
32 follows:

33 **162.4A Operation of a research facility — ~~certificate of~~**
34 **registration license.**

35 1. A research facility shall only operate pursuant to

1 a ~~certificate of registration~~ license issued or renewed by
 2 the department as provided in section 162.2A. The research
 3 facility shall maintain records as required ~~by the department~~
 4 in section 162.10 in order for the department to ensure the
 5 research facility's compliance with the provisions of this
 6 chapter.

7 2. A research facility shall not purchase a dog or cat
 8 from a commercial establishment that does not have a valid
 9 authorization license issued or renewed under this chapter or a
 10 similar authorization issued or renewed by another state.

11 Sec. 34. Section 162.5, Code 2015, is amended to read as
 12 follows:

13 **162.5 Operation of a pet shop — state license.**

14 1. A pet shop shall only operate pursuant to a ~~state~~
 15 license issued or renewed by the department pursuant to section
 16 162.2A. The pet shop shall maintain records as required by ~~the~~
 17 ~~department~~ section 162.10 in order for the department to ensure
 18 the pet shop's compliance with the provisions of this chapter.

19 2. A pet shop shall not purchase a dog or cat from
 20 a commercial establishment that does not have a valid
 21 authorization license issued or renewed under this chapter or a
 22 similar authorization issued or renewed by another state.

23 Sec. 35. Section 162.5A, Code 2015, is amended to read as
 24 follows:

25 **162.5A Operation of a boarding kennel — state license.**

26 A boarding kennel shall only operate pursuant to a ~~state~~
 27 license issued by the department as provided in section 162.2A.
 28 The boarding kennel shall maintain records as required by ~~the~~
 29 ~~department~~ section 162.10 in order for the department to ensure
 30 the boarding kennel's compliance with the provisions of this
 31 chapter. A boarding kennel shall not purchase a dog or cat
 32 from a commercial establishment that does not have a valid
 33 authorization license issued or renewed under this chapter or a
 34 similar authorization issued or renewed by another state.

35 Sec. 36. Section 162.6, Code 2015, is amended to read as

1 follows:

2 **162.6 Operation of a commercial kennel — state license.**

3 A commercial kennel shall only operate pursuant to a state
4 license issued or renewed by the department as provided in
5 section 162.2A. A commercial kennel shall maintain records
6 as required by ~~the department~~ section 162.10 in order for the
7 department to ensure the commercial kennel's compliance with
8 the provisions of this chapter. A commercial kennel shall not
9 purchase a dog or cat from a commercial establishment that does
10 not have a valid authorization license issued or renewed under
11 this chapter or a similar authorization issued or renewed by
12 another state.

13 Sec. 37. Section 162.7, Code 2015, is amended to read as
14 follows:

15 **162.7 Operation of a dealer — state license ~~or permit.~~**

16 A dealer shall only operate pursuant to a state license,
17 ~~or a permit,~~ issued or renewed by the department as provided
18 in section 162.2A. A dealer ~~who is a state licensee~~ shall
19 maintain records as required by ~~the department~~ section 162.10
20 in order for the department to ensure compliance with the
21 provisions of this chapter. ~~A dealer who is a permittee may~~
22 ~~but is not required to maintain records.~~ A dealer shall not
23 purchase a dog or cat from a commercial establishment that does
24 not have a valid authorization license issued or renewed under
25 this chapter or a similar authorization issued or renewed by
26 another state.

27 Sec. 38. Section 162.9A, Code 2015, is amended to read as
28 follows:

29 **162.9A Operation of a public auction — state license ~~or~~**
30 **~~permit.~~**

31 A public auction shall only operate pursuant to a state
32 license, ~~or a permit,~~ issued or renewed by the department as
33 provided in section 162.2A. A public auction ~~which is a state~~
34 ~~licensee~~ shall maintain records as required by ~~the department~~
35 section 162.10 in order for the department to ensure the public

1 auction's compliance with the provisions of this chapter. A
 2 ~~public auction which is a permittee may but is not required to~~
 3 ~~maintain records.~~ A public auction shall not purchase a dog or
 4 cat from a commercial establishment that does not have a valid
 5 authorization license issued or renewed under this chapter or a
 6 similar authorization issued or renewed by another state.

7 Sec. 39. Section 162.10A, subsection 2, paragraphs a and b,
 8 Code 2015, are amended to read as follows:

9 a. Except as provided in paragraph "b" ~~or "c"~~, a commercial
 10 establishment shall comply with rules that the department
 11 adopts to implement subsection 1. ~~A commercial establishment~~
 12 ~~shall be regulated under this paragraph "a" unless the person~~
 13 ~~is a state licensee as provided in paragraph "b" or a permittee~~
 14 ~~as provided in paragraph "c".~~

15 b. A state licensee who is a commercial breeder owning,
 16 breeding, transporting, or keeping a greyhound dog for
 17 pari-mutuel wagering at a racetrack as provided in chapter 99D
 18 may be required to comply with different rules adopted by the
 19 department.

20 Sec. 40. Section 162.10A, subsection 2, paragraph c, Code
 21 2015, is amended by striking the paragraph.

22 Sec. 41. Section 162.12, Code 2015, is amended to read as
 23 follows:

24 **162.12 Denial or revocation of application or license ~~or~~**
 25 **~~registration.~~**

26 ~~A certificate of registration~~ An application for a license
 27 ~~may be denied to any animal shelter, pound, or research~~
 28 ~~facility and a state license may be denied to any public~~
 29 ~~auction, boarding kennel, commercial kennel, pet shop,~~
 30 ~~commercial breeder, or dealer, or an existing certificate of~~
 31 ~~registration or state license may be revoked by the secretary~~
 32 ~~if, after public hearing, it is determined that the housing~~
 33 ~~facilities or primary enclosures are inadequate under this~~
 34 ~~chapter or if the feeding, watering, cleaning, and housing~~
 35 ~~practices at the~~ animal rescue, animal sanctuary, pound,

1 animal shelter, public auction, pet shop, boarding kennel,
2 commercial kennel, grooming facility, research facility, or
3 those practices by the commercial breeder or dealer, are not in
4 compliance with this chapter or with the rules adopted pursuant
5 to this chapter. ~~The premises of each registrant or state~~
6 ~~licensee shall be open for inspection during normal business~~
7 ~~hours.~~

8 Sec. 42. Section 162.12A, subsection 1, paragraph a, Code
9 2015, is amended to read as follows:

10 a. A commercial establishment that operates pursuant to an
11 ~~authorization~~ a license issued or renewed under this chapter
12 is subject to a civil penalty of not more than five hundred
13 dollars, regardless of the number of animals possessed or
14 controlled by the commercial establishment, for violating this
15 chapter. Except as provided in paragraph "b", each day that a
16 violation continues shall be deemed a separate offense.

17 Sec. 43. Section 162.12A, subsection 2, Code 2015, is
18 amended to read as follows:

19 2. A commercial establishment that does not operate
20 pursuant to ~~an authorization~~ a license issued or renewed under
21 this chapter is subject to a civil penalty of not more than one
22 thousand dollars, regardless of the number of animals possessed
23 or controlled by the commercial establishment, for violating
24 this chapter. Each day that a violation continues shall be
25 deemed a separate offense.

26 Sec. 44. Section 162.13, subsections 1 and 3, Code 2015, are
27 amended to read as follows:

28 1. A person who operates a commercial establishment without
29 ~~an authorization~~ a license issued or renewed by the department
30 as required in section 162.2A is guilty of a simple misdemeanor
31 and each day of operation is a separate offense.

32 3. The failure of a person who owns or operates a commercial
33 establishment to meet the requirements of this section is
34 also cause for the suspension or revocation of the person's
35 ~~authorization~~ license as provided in section 162.10D.

1

EXPLANATION

2

The inclusion of this explanation does not constitute agreement with
the explanation's substance by the members of the general assembly.

3

4 CURRENT LAW. Code chapter 162 provides for the regulation
5 of commercial establishments that possess or control animals,
6 other than animals used for an agricultural purpose (Code
7 section 162.1), by the department of agriculture and land
8 stewardship (DALs). Commercial establishments include animal
9 shelters, pounds, and research facilities which are required
10 to obtain a certificate of registration; boarding kennels,
11 commercial kennels, and pet shops which are required to
12 obtain a state license; and commercial breeders, dealers, and
13 public auctions which are required to obtain a state license
14 or a permit if licensed by the United States department of
15 agriculture (USDA) (Code section 162.2A).

16 BILL'S PROVISIONS. This bill refers to each type of
17 commercial establishment as a class and requires that a person
18 operating one or more commercial establishments of the same
19 class obtain a single license. The bill also creates four new
20 types of licenses: (1) a license for grooming facilities,
21 (2) a license for animal rescues, (3) a license for animal
22 sanctuaries, and (4) a special type of commercial breeder's
23 license reserved for a small breeder, competitive show breeder,
24 or specialized breeder. The bill also recognizes animal foster
25 care homes that temporarily maintain dogs or cats on behalf of
26 animal rescues, animal shelters, and pounds. The bill replaces
27 the current fee system with one that includes the assessment of
28 a base amount and the possible assessment of a scheduled amount
29 based on class. The moneys from fees are still deposited
30 into the commercial establishment fund. However, an amount
31 is to be transferred to a new animal rescue remediation fund
32 also under the control of DALs. The bill requires DALs to
33 perform inspections and licensees to maintain records. The
34 bill provides that DALs may take disciplinary action by
35 suspending or revoking the person's license. It provides

1 that any continuing education program voluntarily completed
2 by a person operating a commercial establishment prior to a
3 disciplinary action is not considered part of such action. The
4 bill provides for the sterilization of dogs or cats that are in
5 the custody of an animal sanctuary. Fees and civil penalties
6 associated with the sterilization requirements are also to be
7 deposited into the animal rescue remediation fund. Finally,
8 it provides that the attorney general or a county attorney may
9 bring a criminal action in order to enforce the provisions
10 of the Code chapter and allows a court to provide injunctive
11 relief.